

INTERNATIONAL MARKETING PLAN

Project Name:

ASTHON COLLEGE INTERNATIONAL OPERATION



Head-Office
Vancouver – Canada



1st International Branch
São Paulo – Brazil

Service: Professional Education

Course Title: International Trade | February, 2011

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Ashton College is a successful Vancouver based career college established in 1998 and offering a large array of professional courses ranging from business related, accounting, human relations up to immigration consultancy. The majority of the students attending the courses are from all over the world and they share a common need for quality education taught in English in an international setting in order to upgrade their career status both in Canada as well as on their home countries.

Given that short profile of the school, the present international marketing plan proposes that the school opens its first international operation in São Paulo, Brazil initially with a smaller and slightly different array of courses but all of them taught entirely in English. Even though Brazil's mother tongue is Portuguese and it has no official second language, the research has shown a significant amount of qualified potential customers that are English literate (surpassing 186.000 people in São Paulo alone) that sustain the proposed project.

Besides that, it has also been figured out a competitive marketing and tuition positioning for the school based on the main competitors and also in accordance to the target audience purchasing power, what is considered to be adequate to back up the establishment of the operation. On top of all that, it is also important to highlight the fact that the SWOT analysis has demonstrated that both Strengths and Opportunities outnumber Weakness and Threats and the report illustrate six differentiation factors that combined contribute to strengthen the school's market positioning and attraction of customers.

On what regards political, economic and regulatory issues, it has been able to identify that the school would have no problems at all in setting up this branch in the country, firstly because Brazil is a democratic nation that respects contracts, laws and regulations. Secondly, contrary to what has already happened in the past, the country's macroeconomic condition has been very stable along the last 17 years and the projections for the coming years forecast yearly average growth of 4,0%. And lastly, the kind of courses offered by Ashton College in Canada can be legally classified within a category named as "Free Courses", what stands for courses that are not under Brazil's Ministry of Education direct supervision. The only restriction upon those types of courses (including language schools, for instance) is the fact that they are not allowed to issue diplomas. Instead they are entitled to issue only certificates.

Finally, in order to enter the market, the report presents a series of recommendation strategies ranging from associations, key local alliances and some promotional actions that can be undertaken in order to settle itself successfully in the Brazilian educational market.

It has been observed that on the Brazilian educational market, the category of continued education for young adult professionals, there is a strategic window for short term professional business courses taught entirely in English. Even though there are a number of business schools in the country, it has been noticed that almost none of them has got the necessary expertise and background to implement such kind of courses.

On what regards the importance of teaching a course entirely in English in Brazil, we can refer to Bohn (2003) who says that the country's social reality shows a context where there is a growing use of and demand for English as an international language along with recognition of a growing need for the maintenance of local identities associated with local languages.

Additionally, Warschauer (2000) shares similar point of view arguing that increasingly, nonnative speakers of English will need to use the language daily for presentation of complex ideas, international collaboration and negotiation, and location and critical interpretation of rapidly changing information.

Besides that, when we take into consideration the fact that due to the average yearly growth rate (around 4%) that the country has been experiencing along the recent past and the forecast around the same figure for the coming years (according to the publication *The Economist* 2011), the local job market has had a demand for more qualified and well prepared professionals to face the following challenges: a) an environment of increasing international trade; b) demand for qualified professionals trained in English from international call centers companies already operating in the country; c) reception of a greater influx of foreign tourists in the country due to the coming 2014 FIFA World Cup and the Summer Olympic Games to be held in Rio de Janeiro in 2016 (as also highlighted by Biegun, 2011).

On this matter, it is possible to see that Delow (2007, p. 40) says that globalization has been changing the job market and, consequently, students must get better prepared to face such challenge because the movement of people, goods, or ideas among countries and regions accelerates and it makes travel, commerce, and communication less difficult. Moreover, it is also possible to notice if this project is carried out by Ashton's board the initiative would be aligned with Canadian export policies in the sense of expanding the country's trade boundaries and diversifying its markets (CME, 2009) and also taking into account that services account for 67% of Canada's economic activity and are an integral part of the country's export.

Therefore, based on this broad scenario, it is possible to notice that there is a significant market opportunity to establish Asthon College first international operation in São Paulo, Brazil. And moreover, on this matter, we see that Demidenko (2007, p. 85) address a point of view that emphasis this relevance when he says that "in some countries of the West, higher education is becoming a mass phenomenon and is beginning to determine the vector of societal

development on a global scale, the civilizational qualities of the national and the global socium of the new, twenty-first century”.

3 – BUSINESS DESCRIPTION

The purpose of the business on this project consists in offering an array of professional business courses taught entirely in English for Brazilians young adults willing to pursue an international career or in search of ways to improve their professional status and become better prepared for their current or future jobs elsewhere.

3.1 – Target Country

The project focuses on Brazil because it is believed that there is a strong market opportunity over there due the present and future positive macroeconomic conditions that certainly favors such kind of venture, as explained on the previous section Project Overview.

3.2 – Target City

The aim is to start the project in São Paulo because it is the country’s most dynamic business city and also because it is the base for the majority of the multinational corporations operating in the country. So that, even though along the last decade or so there has been a move from many companies toward other regions of the country, São Paulo still host a huge amount of well qualified professionals and job opportunities.

3.3 – Target Customer

The project’s main target customer is comprised of male/female young adult professionals aged between 20 years and early 40’s. The explanation for this age group lays in the fact that usually people under 20 years of age may not have the necessary skills, experience and qualifications to take the most out of such course and, on the other hand, many professionals over 30 years of age are still very active in what regards the search for educational improvements and, on top of that, they have got quite a lot of experience that will benefit from such course.

Additionally, the target customer must also master a certain minimum level of English knowledge (for example a score of 70 points at TOEFL internet based or equivalent) in order to attend the course, because the aim is to teach business and not teach English language, firstly, due to the fact that this could cause lost of focus and secondly because that there are already dozens of language schools over there for this purpose.

4.1 – Brazilian Educational System at a Glance

In order to identify the real market potential for the proposed venture, it is necessary to develop a market research and measure up its potential to justify the investment. Initially, it is presented on Chart 01 a broad picture of the Brazilian educational system because it will also contribute for the positioning of Ashton College operation on that market.

Chart 01: Broad View of Brazilian Educational System

| Level of Instruction | Ownership | | Government Regulated | | Length (years) | Age Range (years) |
|----------------------------------|----------------|---------|----------------------|----|----------------|-------------------|
| | Public | Private | yes | no | | |
| Kindergarten | x | x | | x | --- | 4 to 6 |
| Elementary School | x | x | x | | 8 | 7 to 14 |
| High School | x | x | x | | 3 | 15 to 17 |
| Technical School | | | | | | |
| Undergraduate Studies | College | x | x | | 2 to 6 | 18 to 25 |
| | University | | | | | |
| Graduate Studies | Specialization | | x | | 1 to 3 | 21 upwards |
| | MBA | | | | | |
| | Master Degree | x | x | x | 2 | 21 upwards |
| | PhD | x | x | x | 3 to 4 | 25 upwards |
| Post-Graduate Studies (Post-Doc) | x | | x | | 2 to 3 | 28 upwards |
| Language Courses | | x | | x | diversified | diversified |
| Professional Courses | | x | | x | diversified | diversified |

Source: the author based on *Education Brazil (2011)* and *Brazilian Education (2011)*

4.1.1 – Kindergarten

At this level there is no Government Regulation due to the fact that there is no defined and standardized syllabus throughout the country but only some basic principles to be followed.

4.1.2 – Elementary

This is the mandatory level of education where the basic academic fundamentals are taught and it is done their preparation to advance on their studies towards higher levels afterwards. There are both public and private schools all across the nation and usually the private ones are considered as offering higher quality education than public ones.

4.1.3 – High School and Technical School

Both are on the same academic level and the difference between them is that on the Technical School the student learns a profession and can go straight to the job market after graduation, whereas at the High School the young student can also do that but with greater difficulty because he has no profession yet. Even though both courses are Government regulated, the majority of the Technical Schools are private. The schools are free to offer any professional training they want to regarded that they also offer the mandatory disciplines taught at High School.

4.1.4 – College and University (Undergraduate Studies)

They are on the same academic level and all courses are Government regulated. Nowadays there are so many options of courses to choose from that this is the reason why the length varies from 2 years up to 6 years. In the recent past it has been introduced a large array of short courses of only two or three years meant mainly to fulfill demands and needs of the booming job market and get qualified professionals in specific areas a little bit faster. However, to be eligible for further research studies such as Master Degree or PhD, only four to six years courses are accepted.

4.1.5 – Graduate Studies

According to Brazil's Ministry of Education regulations (MEC, 2011), both Specialization and MBA are considered the same. The main Government regulation about them is that they must last, at least, 360 hours in order to be considered as a valid course on this category. Otherwise, they will be considered as Continued Education courses. Even though the MBA courses have faced a tremendous growth along the recent past and also carry the title of "Master" in it, it is considered as a Specialization because it is more management oriented (it does not matter if the student has attended it in Brazil or abroad because it does not change the picture). Master Degrees and Graduate studies, on the other hand, are strongly Government regulated because they are both research based and most of the people who attend them aim to go into teaching and/or high level research.

4.1.6 – Language Courses

Those courses are among the category known as “Free Courses” previously mentioned, meaning that they are totally free of direct Ministry of Education supervision. What happens sometimes is that some schools take the initiative to establish some kind of partnership with foreigner Government Bodies or associations such as, for instance: British Council; US Consulate; Chambers of Commerce; Canadian Educational Authorities and so on. Such partnerships help them to build a stronger brand awareness and also a more positive and serious image among its target audience.

4.1.7 – Professional Courses

There is a wide range of possibilities of Professional Courses starting from short term Seminars or Lectures of just one single day in length up to twelve months courses. However, if a Professional Course last much longer than six months (for example, eight or ten months), they start to compete with Specialization or MBA courses (those usually last around one year or one year and a half) and people might prefer this instead because it would look better on the potential recruiter’s eyes.

4.2 – Demographics and Market Data

According to the most recent official Census made in 2010 by IBGE (Brazil’s official statistics institute), the country’s general population distribution is shown on Chart 02:

Chart 02

| | | | |
|-----------------------------------|---------------|-------------|-----|
| Country’s total population | | 190.732.694 | |
| Gender | Male | 93.390.532 | 49% |
| | Female | 97.342.162 | 51% |
| Distribution | Urban | 160.215.463 | 84% |
| | Rural | 30.517.231 | 16% |
| Literacy rate | | 90,3% | |

Source: IBGE (2011)

As the project focuses on a certain age group (people from 20 up to 40 years old), on Chart 03 it is possible to verify their distribution within the nation’s population:

Chart 03

| Age range | Total | Male | Female | Share |
|--------------|-------------------|-------------------|-------------------|--------------|
| 20 to 24 | 17.223.544 | 8.619.210 | 8.604.333 | 9,0% |
| 25 to 29 | 8.352.849 | 4.130.663 | 4.222.186 | 8,9% |
| 30 to 34 | 8.012.233 | 3.925.809 | 4.086.424 | 8,2% |
| 35 to 39 | 11.644.460 | 5.671.627 | 5.972.832 | 7,3% |
| Total | 45.233.086 | 22.347.310 | 22.885.776 | 33,5% |

Source: IBGE (2011)

On what regards the project's target city (São Paulo), the demographic data are detailed on Chart 04:

Chart 04

| City of São Paulo (inhabitants) | | 11.244.369 | |
|---------------------------------|--------|------------|-------|
| Gender | Male | 5.323.385 | 47,3% |
| | Female | 5.920.984 | 52,7% |
| Distribution | Urban | 11.125.243 | 98,9% |
| | Rural | 119.126 | 1,1% |
| Literacy rate | | 95,3% | |

Source: IBGE (2011)

On what concerns Brazil's macroeconomic data and the purchasing power of the target customer, according to The Economist (2011), the most recent figures are shown on Chart 05. Additionally, it has been added a comparison column with Canadian macroeconomic data just in order to give to the reader an idea of proportion in case he/she may not be too familiar with Brazil's figures.

Chart 05: Macroeconomic Data from Brazil and Canada

| Macroeconomic Data | | Brazil | Canada |
|--------------------------------|-----------------------------------|----------|----------|
| GDP Growth Projection for 2011 | | 4,5% | 2,1% |
| GDP | Absolute Number (billion) | \$2.052 | \$1.616 |
| | Purchasing Power Parity (billion) | \$2.314 | \$1.377 |
| GDP per head | Absolute Number | \$10.530 | \$47.070 |
| | Purchasing Power Parity | \$11.870 | \$40.110 |
| Inflation Projected for 2011 | | 4,4% | 1,8% |
| Population (million) | | 190,7 | 34,3 |

Source: The Economist, 2011 (where applicable, figures in US\$)

As it can be seen from Chart 05, Brazil's economy is projected to grow in a rate double that of Canada's, what reinforces it as a fertile ground for foreign investments and also as a valuable opportunity for diversifying the country's exports as pointed out by CME (2009) and Biegun (2011). In a more recent CME report (2001), for instance, it is highlighted that Canadian exports are highly concentrated in the US (86,9%), whereas it trades only 0,7% with South America economies.

Moreover, Brazil's economy as a whole is larger than Canada's but as there is a difference of almost six times regarding the size of population of both countries, Canada has got a much higher per head average income. On the other hand, Brazil's average purchasing power has reached a quite significant level taking into consideration that not long ago it was well under US\$ 5.000,00.

4.3 – Competition Analysis

There is no such name as “*Career College*” in the Brazilian Educational System. Instead, many of the courses commonly offered at Ashton College in Vancouver are more closely related to what is known as Continued Education Course (or “Free Courses” as well) due to their nature, syllabus and target customers. It means that it is a category that fits between Undergraduate and Specialization/MBA but at the same time they are available to professionals with diverse educational backgrounds. It can reach from a young adult at an entry level position in the job market up to a mature professional who wishes to upscale his/her career or make a change, for instance.

Given that fact, it has been highlighted on Chart 06 the leading business schools who offer such kind of course as well as some information regarding the average tuition they charge for their courses.

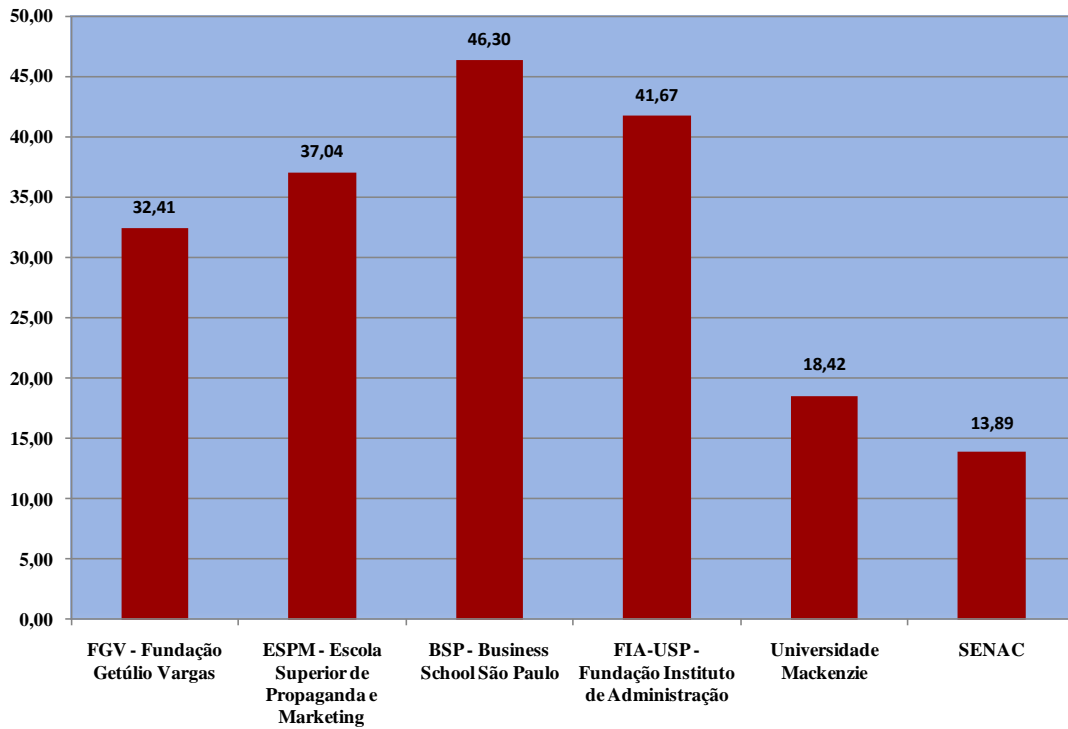
Chart 06: General Profile of Main Competitors

| # | School Name | General Profile | Average Tuition | | Partnerships |
|---|---|--|----------------------|--------|---|
| | | | Local Currency (R\$) | C\$ | |
| 1 | FGV - Fundação Getúlio Vargas | Established in 1954 by a group of Brazilian professors in partnership with University of Texas at Austin faculty, it is considered Brazil's leading business school and it is constantly ranked amongst the top 10 in Latin America. (www.fgv.br) | 3.500 | 1.944 | Dozens of partnerships with universities in Europe and North America |
| 2 | ESPM - Escola Superior de Propaganda e Marketing | This is also a well known and respected business school in the country, however, with a strong focus and expertise in marketing and advertising. (www.espm.br) | 1.000 | 556 | --- |
| 3 | BSP - Business School São Paulo | This business school was established in 1995 by a former FGV dean. It offers some selection of MBA courses and continued education courses. So far, it is the only business school in the country that offers an MBA taught entirely in English. (www.bsp.edu.br) | 2.500 | 1.389 | Suffolk University (USA); University of Toronto (Canada); Santa Clara University (USA); Harvard (USA); University of Iowa (USA) |
| 4 | Inspere | The focus of this school is mainly on financial market courses. Recently, they have broadened their offerings and included a larger range of business courses (www.insper.edu.br). | n.a.o. | --- | --- |
| 5 | FIA-USP - Fundação Instituto de Administração | This is the business school of University of São Paulo – USP (www.usp.br) which is the country's leading and largest public university. It offers a broad range of courses. (www.fia.com.br) | 2.400 | 1.333 | Dozens of partnerships with universities in Europe and North America |
| 6 | Universidade Mackenzie | That is a well known private university established over 135 years ago that offers a wide range of undergraduate courses. They have a considerable array of continued education courses usually lasting for 12 or 18 months. (www.mackenzie.com.br) | 13.000 | 7.222 | --- |
| 7 | Faculdade Trevisan | This business school was established after a successful and well known consulting and audit practice named Trevisan. They have got a business administration undergraduate course, MBA and continued education courses. (www.trevisan.edu.br) | n.a.o. | --- | --- |
| 8 | University of Pittsburgh | The classes take place 8 days in a row each two months and are conducted by American faculty that travel there for this purpose. The other periods the students have another activities such as distance learning or projects. (www.pit.edu) | 82.450 | 45.806 | University of Praga (Czech Republic) |
| 9 | SENAC | This institution is the closest to the model of a career college known in Canada and it is extremely respected nationwide due to its quality and tradition. However, the majority of their courses are basic to intermediate level regarding depth and complexity. | 600 | 333 | --- |

Source: the author based on research on schools websites
P.S.: "n.a.o." stands for information "not available online".

As a better mean to assess the figures shown on the Chart 06, all the average tuition listed were analyzed on an hourly basis so that it becomes easier to spot their positioning regarding the tuition charged from students.

Main Competitors Average Tuition (C\$/hour)



Source: the author based on research on schools website

According to the above graph it is possible to notice that the main competitors average tuition range from as little as C\$ 13,89/hour up to C\$ 46,30/hour. On what concerns the tuition charged by Ashton College in Vancouver, for instance, it is possible to notice that a full-time course Certificate in International Trade can cost C\$ 4.100,00 for 12-week of class (or roughly C\$ 11,40/hour) for domestic students and C\$ 4.700,00 (or C\$ 13,05/hour) for international students. So that, according to those figures, initially it is possible to identify the possibilities regarding the tuition that would be charged in Brazil and still be profitable to Ashton College.

What is also considered important to highlight is the fact that there has been some initiatives similar to the one proposed on the present project (that is running a professional course taught entirely in English in São Paulo at the level offered by Ashton College). The market research has shown two business schools with similar proposition (BSP and University of Pittsburgh) even though they have been offering courses on a higher academic level.

As already pointed out on this project, the target customer must be English literate in order to be able to attend the course and take the most out of it. Given that fact, it has been done a thoroughly research in order to measure up this audience and, according to estimates by the IBGE and language schools professionals, that number is roughly

around 5% to 8% of the population that speak the language (specially in a big economic center like São Paulo).

As the project's target customer is among the age range of 20 up to 40 years, it can be seen that the proportion of people of this age in the country is of 33,5% (Chart 03). In the city of São Paulo, there are 11.125.243 urban inhabitants (Chart 04). If we consider that the same proportion applies to the city, it means that there must be 3.726.956 people of this age group. Also considering the estimates of 5% to 8% of the inhabitants have some level of English knowledge, it means that our target audience must be around between 186.347 and 298.156 people.

Certainly that it would be unrealistic try to reach such a large number of people for a number of reasons. This way, in order to measure up Ashton College real potential to attract new students it has been used Everett M. Rogers (1976) theory of Innovation Adoption. According to this theory, innovations (both in products as well as on services) are adopted on its very beginning by a small group of people (or consumers) called Innovators that accounts for only 2,5% of the target audience. Following, come the so called Early Adopters (13,5%), followed by the Early Majority (34%) when it is expected that the product or service reaches its maturity stage, Late Majority (also 34%) and finally, the Laggards (16%) when the product/service may have already reached the end of its life cycle. So that, to start with, it is expected that the project would be able to attract 2,5% of innovators or the equivalent of **4.659 students along its first two years of operation** in the country (out of the conservative estimate of a total target audience of 186.347 people previously mentioned).

4.4 – SWOT Analysis

After the above market scenario, it is possible to develop the SWOT Analysis for this venture, pointing out Ashton College inner capabilities (Strengths and Weakness) and the outside scenario (Threats and Opportunities) as described on Diagram 01.

It is considered important to highlight that the SWOT Analysis points out that, fortunately, opportunities outnumber threats and there are far more strengths than weaknesses.

Diagram 01

| | |
|---|--|
| <p style="text-align: center;"><u>STRENGTHS</u></p> <p>1 – Acquired expertise on the business of Career College; 2 – Course taught entirely in English; 3 – Its true international focus; 4 – The Canadian and Brazilian faculty; 5 – Faculty formed by Canadian and Brazilian executives; 6 – Accredited school (conveys the image of seriousness); 7 – Partnership with Canadian companies; 8 – Partnership with Canadian Educational Council local office.</p> | <p style="text-align: center;"><u>WEAKNESSES</u></p> <p>1 – Low or almost no brand awareness; 2 – Risk of starting a new venture in a new market; 3 – High initial costs and low profits; 4 – Higher costs of brand awareness construction; 5 – Students must have a good command of English.</p> |
| <p style="text-align: center;"><u>OPPORTUNITIES</u></p> <p>1 – There’s nothing like that on this teaching level in the country; 2 – The country’s economy is booming; 3 – Companies are in quest of qualified professionals; 4 – São Paulo is the country’s most dynamic city; 5 - The coming of FIFA World Cup 2014; 6 - The coming of Summer Olympic Games in Rio de Janeiro 2016; 7 – University of Pittsburgh have already gone there; 8 – People are in search of good and differentiated qualification.</p> | <p style="text-align: center;"><u>THREATS</u></p> <p>1 – New entrants from Canada; 2 – Brazilian new entrants: larger knowledge of the market; 3 – International new entrants: higher brand awareness; 4 – Indirect competitors; 5 - Online courses (either paid or free of charge).</p> |

Source: the author

4.5 – Differentiation Factors

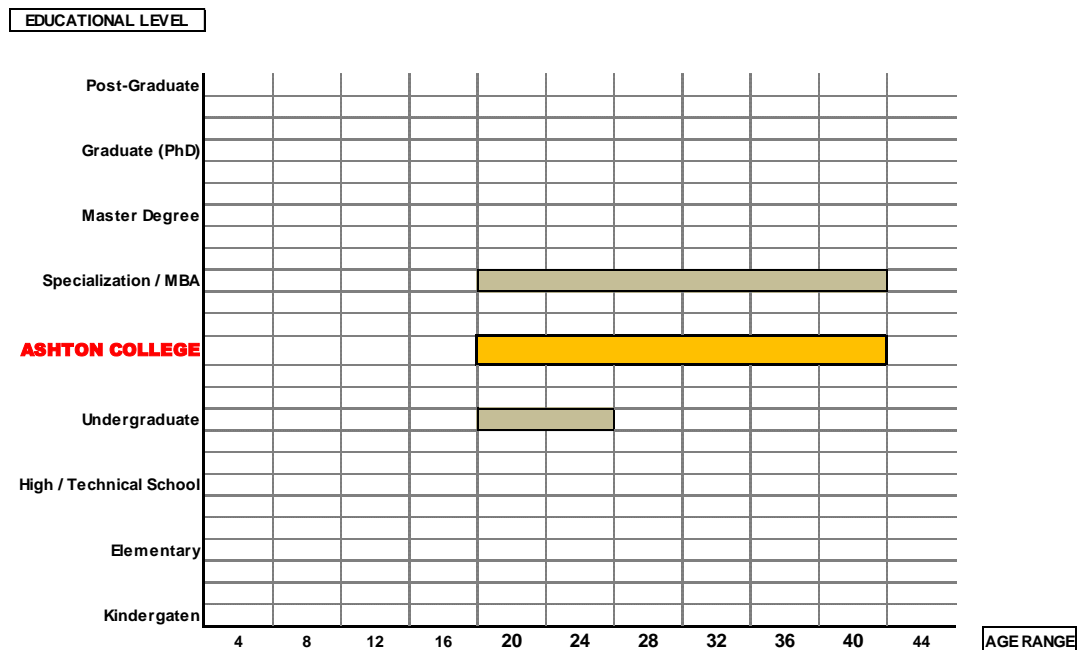
The international operation of Ashton College differentiates from the existing and established Brazilian main competitors listed on Chart 06 due to the following aspects:

- 4.5.1** – Courses are going to be taught entirely in English, whereas just two schools so far has got this offering but both of them on higher academic levels (so that the customers are not the same);
- 4.5.2** – The school has got an excellent expertise in teaching such kind of short term professional courses in Canada (or else, it has got the know-how);
- 4.5.3** – It has got experienced and well qualified Canadian and international faculty that, occasionally, could go to Brazil from time to time in order to teach some specific modules;
- 4.5.4** – Students could spend a term or so in Canada in order to complete their studies and also to gain a complementary international experience/exposure (none of the competitors can match that so far);
- 4.5.5** – Given the fact that all courses are going to be taught entirely in English by an accredited institution such as Ashton College, the students could get a double certificate valid both in Brazil and in Canada;
- 4.5.6** – It is considered that the school’s name delivers the subtle idea of an international institution and it is also quite easy to be pronounced even for non-English speakers, what may help both its positioning and marketing afterwards.

4.6 – Positioning Grid

As shown on Diagram 02, the idea is to position the school as a qualified international option in between Undergraduate and Specialization/MBA course for people aged between 20 up to 40 years.

Diagram 02



Source: the author

5 – POLITICAL, ECONOMIC AND REGULATORY ISSUES

What regards Brazil’s political scenario, it does not pose any sort of risk towards foreign investments because the country is a stable free democratic nation where contracts, regulations and laws are fully respected. Presently, the country has just elected its first female president in its history (Mrs. Dilma Rousseff) and the economy has been stable for almost two decades in a row after many years of very high inflation and huge currency devaluation and fluctuation.

As a confirmation of this picture, Brazil has been one of the nations less affected by the severe world economic crisis of late 2008 and early 2009 and also one of those who recovered itself much faster than many others including more developed economies. To give an example of this capability, according to Myers (2011), the Canadian economy grew only 0,5% in 2008, dropped sharply by 2,5% in 2009 and it is expected to have grown 2,8% last year. On the other hand, in 2008 the Brazilian economy has grown 5,1% whereas on the following year it dropped

only 0,2% and for 2010, even though the official number has not yet been released, many economists, investors and bankers estimate that it may be around the figure of 7%.

On what concerns the regulatory issues for Ashton College operation in Brazil, it is quite simple. According to Brazil's MEC regulations (2011), the kind of course that Ashton may offer can be classified as what is called "Free Courses" and, as such, they require no official government authorization. This rule also applies to language courses no matter if they are offered by Brazilian or international corporations. However, on the other hand, the schools under the tag "Free Courses" are not allowed to issue a Diploma to students after completion because this document can only be issued by institutions that offer what is called regular courses (from Elementary up to Post-Doc studies as shown on Chart 01). Instead, those schools are allowed by law to issue Certificates to the students.

Apart from this, other regulatory issues for the opening of this venture are relatively simple and involve mainly aspects such as getting the documentation for rent a commercial room, the most appropriate tax system that the school may fit into, register the business on the city's notary office, make arrangements for getting phone lines and so on. On what concerns the hiring of employees, according to Brazilian work laws, they must all be officially employed and registered with the appropriate documentation and there is also the possibility of hiring professionals that are not officially linked to the company (specialized service providers) that issue monthly bills to the company and collect the appropriate taxes. So that, the professor, for instance, could be hired this way, whereas the administrative staff it would be better to be hired on the traditional way as described.

6 – MARKET ENTRY STRATEGIES

The recommended model in order to Ashton College enter the Brazilian market it is through a Direct Investment, opening a branch in the city. Further on, according to the business evolution and its success rate, it can be analyzed the possibility of opening franchises in other prosperous cities or even in other regions of São Paulo given its huge size and large population, but for now it is considered that the school's board should have total control of the venture. Having said that, some of the possible strategies to establish a initial positioning in the market are described below:

6.1 – Associations

Considering that Ashton College brand has got no awareness within Brazilian educational and job-market, it is necessary to build some sort of association to turn it familiar and sound trustful to the target customer.

Some of the suggested possibilities include the following strategies:

- 6.1.1** – Use of testimonials from former Brazilian students on pieces of advertisements and promotional fliers. So that, the prospective student would have a reference of someone who has already attended the school before and do not become afraid of being the first one (it avoids the “rat lab” feeling);
- 6.1.2** – Use of testimonials from some well known Brazilian business persons (potential employers), also on ads, highlighting the importance for such kind of qualification in order to become a sought after professional and to widen up your opportunities;
- 6.1.3** – Use of testimonials from former international students in order to convey the message of a truly global career college with connections all over the world;
- 6.1.4** – Endorsement of some well known and respected artist that could deliver the idea of good qualification and successful career;
- 6.1.5** – Advertise a list of companies (Canadians, Brazilian and International) who have already hired former students or who already had an employee studying at Ashton College;
- 6.1.6** – Communicate the message that the school is accredited by important institutions and professional bodies in Canada. Even though the concept of accreditation in Brazil is quite new (it has started less than a decade ago and it is still more associated with MBA courses), this message contributes to convey a subtle idea of seriousness and quality assurance.

6.2 – Partnerships

It is considered that the establishment of some key partnerships represent an important way to improve Asthon College brand awareness in the country as well as strengthen its positioning and for that purpose, the recommendation is that the school establishes partnerships or alliances initially with the following two bodies:

- 6.2.1** – *Centro de Educação Canadense*: local office of Canadian Educational Institution in charge of promoting Canadian studies on all levels to Brazilian students (www.studycanada.ca/brazil);
- 6.2.2** – *Câmara de Comércio Canadá-Brasil*: as the Canadian Chamber of Commerce gathers the major Canadian corporations operating in the country and Brazilian corporations with operations in Canada as well,

it would be extremely valuable to be associated with them as a mean to endorse the school (www.ccbc.org.br).

6.3 – Marketing Mix

6.3.1 – Place

As previously mentioned, the place to start this international venture is in the city of São Paulo in Brazil.

6.3.2 – Promotion (Advertisement)

On what regards the advertising campaign to launch the school in São Paulo, the idea is to create a double page ad according to the model below (please find an enlarged copy of both pages at Appendix “A”).

Do you know what all those large corporations and many others have in common?

Hudson's Bay Co. belmetal RBC Royal Bank

BOMBARDIER INTER-CONTINENTAL HOTELS AND RESORTS

FIAT Tim Hortons VW

They have already hired from or had employees trained at Ashton College.

Chances are that you have not heard about Ashton College before, but we are a leading Career College in Canada (a country among the world's top five best educational system and performance according to OECD) with a broad range of professional courses.

From now on we are also in Brazil (our first branch outside Canada) in order to offer a unique option of high quality and focused professional courses taught entirely in English.

Give us a call and make arrangements to take part in one of our free no-commitment presentations in order to learn more about us. You will be positively surprised when you hear our proposition.

Ashton College
www.ashtoncollege.com.br
Tel. 0800 123 456

ACCREDITED PROFESSIONAL COLLEGE ASSOCIATION

Even though the model above may not be considered as a final piece of art (that certainly would be produced by a specialized advertising agency) the message that it may convey is based upon the following arguments:

- a) On the first page we try to establish a connection between known companies in Canada, in Brazil and internationally with

alumni from Ashton (the companies logo shown are for illustration purpose only). As a water-mark it has been used a well-known picture of greater Vancouver in order to point out the school origin;

- b) The entire ad must be produced in English because it is addressed straight to the school's target customer. So that, those who do not master the language may not call and it works as a subtle and efficient initial filter;
- c) On the following page the school introduces itself to the target customer because probably most people have not heard about it before. Additionally, in this page, the water-mark is an well-known picture of *Paulista Avenue* that is considered the city's financial heart and easily recognizable by the target customer. So that, the Vancouver-Canada bridge completes itself with both water-mark images;
- d) Besides that, we try to establish a connection between the excellent quality of Canadian educational system proven by international rankings and the fact that Ashton College comes from such context;
- e) Secondly, on the closing sentence, it is made an invitation to potential students to make a call and arrange for a free presentation where he/she will be given more detailed information about the school and what it has to offer;
- f) And finally, the ad finishes with the school's brand, a toll free number for potential students make a call and make arrangements to be part of schedule presentations, a special Brazilian website for this project (extension "*br*" after the school's actual website) and the logos of some accreditation bodies in order to demonstrate the schools' seriousness and quality assurance.

On what regards the publications where the campaign could be advertised the suggestion consists on the following three leading publications:

- a) **Você S.A.:** this is a monthly magazine published since 1998 focused on career related subjects and with a readership of

213.914 made up mainly by both male and female young professionals aged between 20 up to 40s;

- b) **Exame:** Brazil's most important business magazine published twice a month since 1967 and with a readership of 213.914 each fortnight. In the recent past it has expanded its frontiers and nowadays it also available in Portugal and Angola with local editions;
- c) **Valor Econômico:** the country's leading daily business and economics newspaper with a readership of around 53.469 nationwide (São Paulo alone accounts for almost 60% of this readership).

Advertising on those three publications is considered as the best option firstly because they are effectively read by the project's target customer, secondly due to the fact that they are respectful among businessmen and the job market as a whole and thirdly because, apart obviously from the newspaper, people tend to keep them for longer periods and even share them with friends, co-workers and relatives. Consequently, it represents an indirect benefit to the advertiser because it gets a larger exposition of its message.

Those are the main recommendations and certainly that further on it can be made a more detailed media planning considering other options of publications and media in accordance with the marketing budget availability.

6.3.3 – Service Description

6.3.3.1 – Features and Benefits

The following list summarizes the proposed courses to be offered in São Paulo.

- a) Certificate in Business;
- b) Certificate in International Legal English;
- c) Certificate in International Trade;
- d) Certificate in Sales & Marketing;
- e) Certificate in Customer Service Representative;
- f) Certificate in Hotel Management.

It is considered that the above six courses to be available at Ashton College Brazil offer the target audience the benefits of a short term training in current business matters entirely in English and, most important of all, with immediate application.

Moreover, the courses may also offer students the possibility of a complementary stage of up to four weeks in Canada, so that they would have the full benefit of a truly global education that is not available anywhere else in Brazil at this academic level.

6.3.3.2 – Modifications Needed

In essence, it is considered that Ashton College model of operation in Canada can be replicated in Brazil almost in full.

The main modifications should focus on the following points:

- a)** Usually the project's target customer in Brazil do not have the time availability to attend a full-time course as it is offered in Canada because they manage to balance professional responsibilities with studies before or after work. So that, it should be offered on a part-time basis (some morning classes, perhaps some afternoon classes or short seminars and certainly mainly evening classes) in order to reach a broader customer basis;
- b)** The courses to be offered may not necessarily be the same that are available in Canada, as shown on the previous list of six courses.

6.3.4 – Price Positioning Grid

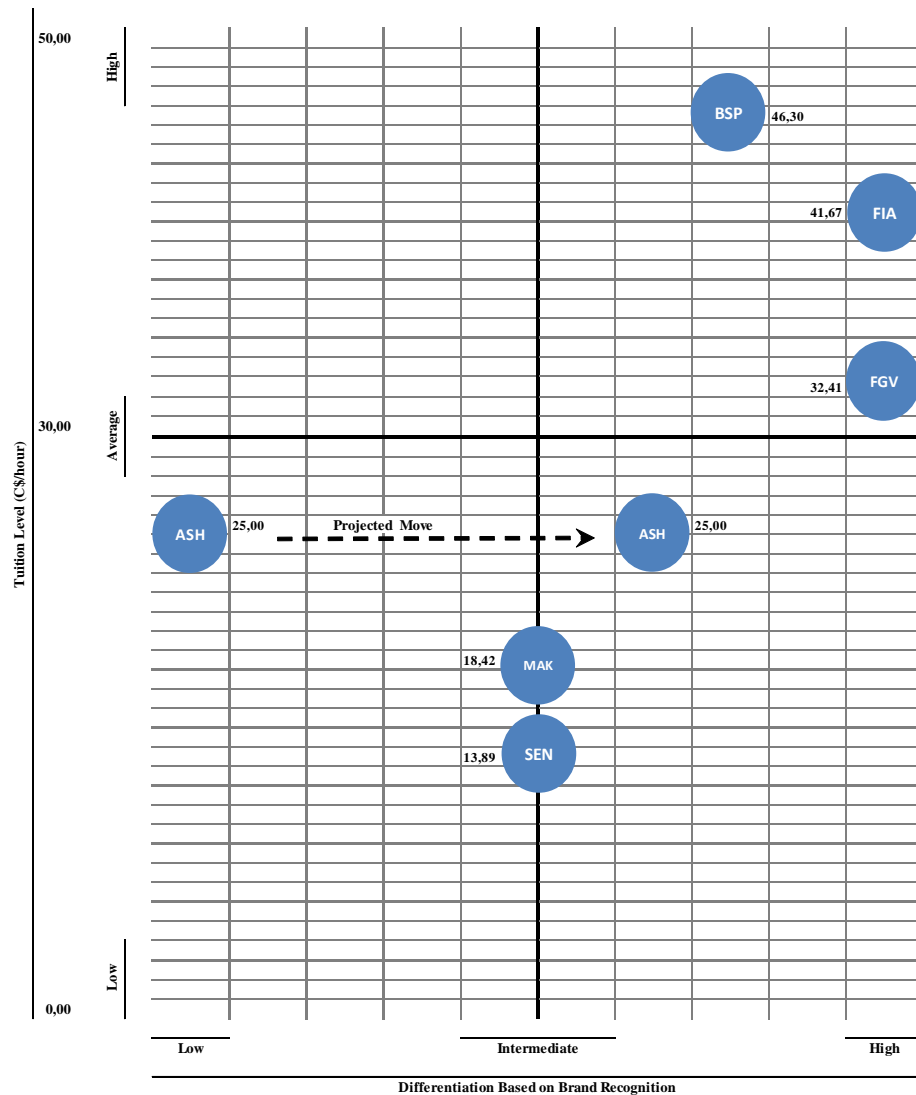
The aim of this section is to give a suggestion of the tuition positioning of Ashton College in Brazil, so far based solely on main competitors average tuition charged from students. It may not be taken as a definitive level of tuition because for that purpose it would be necessary the development of a full financial analysis that is beyond the focus of the present report.

The reasoning behind the Diagram 03 is based upon two dimensions:

- a) Tuition level (low, average and high);
- b) Differentiation based on brand awareness (low, intermediate and high).

The competitors were positioned on this grid according to their average tuition and their respective brand recognition awareness (prestige) among the project's target customer. It has been assigned an average tuition level to Ashton College Brazil (around C\$ 25,00) close to the intermediate level because it was considered as an appropriate figure for the beginning of the operation. Moreover, it is also considered that this level is adequate because it is within our target customer purchasing power and also because it values the course properly in a sense that it is not the cheapest in the market and also because it is a real differentiated proposition.

Diagram 03: Price Positioning Grid



Source: the author

Additionally, on what regards the brand recognition, Ashton College Brazil obviously start the operation with a very low level compared to

its competitors. However, the goal is to manage to make a move within the first two years of operation towards a higher level as shown on Diagram 03, even though the tuition level may stay at the same point or vary slightly.

This positioning is also justified by the fact that an intentional higher upscaling in both tuition level and brand awareness would drive Ashton College Brazil too close to some better positioned competitors such as FGV, FIA-USP and BSP for instance. It is considered that this fact could potentially cause some sort of confusion within our target customer's mind and, consequently, the loss of some customers and higher level of competition.

7 – CONCLUSION AND ACTION PLAN

To start with, the proposition to establish the first Ashton College operation in a non-English speaking country can seem quite challenging and daring. However, more important than that, it is considered that the report has been able to clearly demonstrate that such venture is really feasible and also that there are great chances of it to become a very successful operation.

The report has also been able to justify the strategic opportunity window that it is being opened in the target country due to the macroeconomic scenario and also due to the major events that are scheduled to take place there, such as 2014 FIFA World Cup and the 2016 Summer Olympic Games in Rio de Janeiro. Those three major factors altogether represent a fertile ground for the proposed project and aligned with CME (2009) vision that Canadian corporations should go after global market opportunities. Moreover, on what regards the target customer, the research has shown a considerable amount of people with the appropriate profile and purchasing power to become Ashton College students and bring return to this international operation that, differently from Canada where the competition is much higher, could be positioned as a premium service (i.e., charging a higher level of tuition that is applied in Canada) because there is room for this strategy in the local market.

On top of all that, the report has also proposed the most appropriate market and tuition positioning for the best competitiveness possible to the operation, in such a way that the school's value proposition can be adequately perceived by the target audience.

To sum up, it is considered that the report clearly demonstrate that what initially could sound unthinkable is, in fact, extremely feasible and with high success potential.

Finally, a recommendation for an action plan would be on the extension of the present report and dig deeper into financial matters, the necessary investments and projections of future results.

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BOMBARDIER



Tim Hortons



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A fully accredited professional educational institution

